

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 96-038-C - ORDER NO. 96-410  
JUNE 26, 1996

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IN RE: Application of United Telecom of America, ) ORDER  
Inc. for a Certificate of Public Convenience ) APPROVING  
and Necessity to Provide Intrastate Resold ) CERTIFICATE  
Telecommunications Services within the State )  
of South Carolina. )

This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of United Telecom of America, Inc. ("United" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of intrastate interexchange telecommunications services in the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1995) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed United to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of United's Application and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. United complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. A Petition to

Intervene was filed by the Consumer Advocate for the State of South Carolina (the "Consumer Advocate").

A hearing was commenced on May 29, 1996, at 2:30 p.m., in the Commission's Hearing Room. The Honorable Guy Butler, Vice Chairman, presided. United was represented B. Craig Collins, Esquire. Elliott Elam, Esq. appeared on behalf of the Consumer Advocate for the State of South Carolina (the "Consumer Advocate"). Catherine D. Taylor, Staff Counsel, represented the Commission Staff.

United has requested to be regulated in a relaxed fashion similar to that approved for AT&T in Docket Number 95-661-C. The Consumer Advocate and United reached an agreement prior to the hearing regarding the requested regulatory treatment. Generally, per the agreement, United is seeking the same treatment as AT&T received in Orders No. 95-1734 and 96-55 with the exception that the maximum rate structure will remain in place for all services. Specifically, United requests:

(1) Tariff filings for United consumer calling card services, business service offerings, future operator services, private line services, and custom network offerings will be presumed valid upon filing. If the Commission institutes an investigation for a particular filing within seven days, then the tariff filing will be suspended until further Order of the Commission. The services approved for relaxed regulation do not include residential services.

(2) Any relaxation in the reporting requirements that may be

adopted for AT&T shall apply to United also.

Robert R. Neumann, Director of Regulatory and External Affairs for United, appeared and offered testimony in support of United's Application. Mr. Neumann stated that United is a Delaware corporation which is registered to do business in South Carolina as a foreign corporation. According to Mr. Neumann United proposes to offer long distance services using resold transmission services of carriers certificated to carry traffic in South Carolina. Mr. Neumann explained the Company's request for authority to provide interexchange telecommunications services in South Carolina as a reseller. The record reveals the Company's services, operations and marketing procedures.

Mr. Neumann also explained that United possesses the technical, financial and managerial abilities to provide its services in South Carolina. Mr. Neumann further testified that the Company would make certain changes to its proposed tariff to comply with Commission guidelines and prior Orders.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. United is incorporated under the laws of the State of Delaware and is licensed to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. United operates as a non-facilities based reseller of

interexchange services and wishes to provide its services in South Carolina.

3. United has the experience, capability, and financial resources to provide the services as described in its Application.

#### CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to United to provide intrastate interLATA service and to originate and terminate toll traffic within the same LATA, as set forth herein, through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for United for its resale services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. United shall not adjust its rates, either business or residential, below the approved maximum level without notice to the Commission. Adjustments to residential rates shall also be noticed to the public. With regard to adjustments to residential rates, United shall file its proposed rate changes, publish its

notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No 93-638, issued in Docket No. 84-10-C (July 16, 1993).

With respect to business service offerings, credit card services, future operator services, private line services, and customer network offerings, tariff filings will be presumed valid upon filing. If the Commission institutes an investigation of a particular filing within seven days, then the tariff filing will be suspended until further Order of the Commission. Any relaxation in the future reporting requirements that may be adopted for AT&T shall apply to United also. Staff is instructed to monitor the Company using the same monitoring process and techniques as are used to monitor AT&T.

Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1995).

4. United shall file its revised maximum tariff and an accompanying price list within thirty (30) days of the date of this Order. The revised tariff shall be consistent with the findings of

this Order and shall be consistent with the Commission's Rules and Regulations.

5. United is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

6. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.


7. United shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If United changes underlying carriers, it shall notify the Commission in writing.

8. With regard to the origination and termination of toll calls within the same LATA, United shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

9. United shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

10. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)